

Subject
LS-2003
322A

OGC Has Reviewed

Deputy Comptroller

17 December 1952

Office of the General Counsel

25X1A

Accountings

1. Attached hereto is the file forwarded with your memorandum to General Counsel dated 10 December 1952. In accordance with your request the following comments and recommendations are submitted.

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2. There is no question that by virtue of [REDACTED] letter, an acknowledgment of indebtedness has been made. Consequently, a claim for the unexpended balance of funds advanced to [REDACTED] has arisen in favor of the Government. Legally, there is sufficient justification to pursue this claim through the Justice Department. However, it is felt that the question of security is controlling and the decision rests with the Security Officer whether to formalize the claim through official channels.

3. This office sees no objection to extending the time of payment but it should be pointed out that the Government will be in no better position legally by virtue of such an extension. Nevertheless, it would seem advisable in the event such an extension is granted that as added protection, a bearer promissory note payable on demand be executed.

4. Such an instrument would be prima facie evidence of the debt and could be sued on in any civil court where jurisdiction could be obtained. Such a course would possibly avoid the inherent problems of security. Furthermore, the mere execution of the instrument by [REDACTED] might very well serve as a "psychological catalyst" in obtaining a friendly payment.

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[REDACTED]
Assistant General Counsel

Attachments

OGC/EPH:imm (17 December 1952)

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